Acknowledgements
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Steve Nankivell
Tourism NT

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The 2008-09 Budget builds on the Government's key priorities of:

- growing the economy and cutting taxes;
- supporting families and children;
- implementing initiatives under Closing the Gap;
- providing quality education and health services;
- providing a safe community;
- investing in infrastructure; and
- supporting the Territory lifestyle and protecting the environment.

The Budget builds on a buoyant Territory economy for 2008-09. Economic growth and investment continue to grow at high levels, with:

- gross state product (GSP) forecast to strengthen to 6.6 per cent;
- forecast population growth of 1.9 per cent and employment growth of 2.5 per cent; and
- exports expected to contribute 4.1 percentage points to GSP growth.

Key Budget highlights include a record Territory Government infrastructure program of $870 million, investing in housing, roads, education and health facilities across the Territory.

The 2008-09 infrastructure program also includes a number of significant multi-year projects, providing investment into the future:

- $110 million for the Tiger Brennan extension;
- $35.8 million for the Victoria Highway;
- $48.3 million for the Strategic Indigenous Housing Infrastructure Program; and
- $35 million to construct an overland conveyor at East Arm Wharf.

Cash Allocations to Infrastructure Since 2001
Budget Aggregates

<table>
<thead>
<tr>
<th>Year ended 30 June</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
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<tbody>
<tr>
<td></td>
<td>$M</td>
<td>$M</td>
<td>$M</td>
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<tr>
<td><strong>General Government</strong></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Operating revenue</td>
<td>3 678</td>
<td>3 778</td>
<td>3 942</td>
<td>4 062</td>
<td>4 203</td>
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<tr>
<td>Operating expenses</td>
<td>3 596</td>
<td>3 667</td>
<td>3 767</td>
<td>3 893</td>
<td>4 040</td>
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<tr>
<td>Operating result</td>
<td>81</td>
<td>111</td>
<td>174</td>
<td>170</td>
<td>163</td>
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<tr>
<td>Fiscal balance</td>
<td>-67</td>
<td>-81</td>
<td>-47</td>
<td>-31</td>
<td>6</td>
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<tr>
<td>Cash outcome</td>
<td>5</td>
<td>9</td>
<td>21</td>
<td>37</td>
<td>50</td>
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<tr>
<td><strong>Non Financial Public Sector</strong></td>
<td></td>
<td></td>
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<tr>
<td>Net debt to revenue (%)</td>
<td>37</td>
<td>38</td>
<td>38</td>
<td>38</td>
<td>36</td>
</tr>
<tr>
<td>Net debt + employee liabilities to revenue (%)</td>
<td>104</td>
<td>106</td>
<td>104</td>
<td>104</td>
<td>101</td>
</tr>
</tbody>
</table>

2008-09 Key Expenditure

Total operating expenses for the Northern Territory Government will be $3.7 billion, with ongoing funding commitments to key areas, of:

- $915 million for Health and Families;
- $719 million for Employment, Education and Training;
- $378 million for Local Government, Housing and Sport;
- $247 million for Police, Fire and Emergency Services; and
- $178 million for Justice.

Reducing Taxes

The 2008-09 Budget provides further tax savings for Territorians, including:

- significant reductions to conveyance stamp duty, saving Territory home buyers and property investors a total of $12 million each year;
- increase in the stamp duty concession threshold for first home buyers to $385 000;
- further reduction in the payroll tax rate to 5.9 per cent, down from 6.2 per cent; and
- the lowest recurrent taxes for small and medium businesses in Australia.

Key Growth Forecasts

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Real GSP</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
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<tr>
<td>Resident Employment</td>
<td>-2.9</td>
<td>-1.3</td>
<td>3.0</td>
<td>5.3</td>
<td>4.8</td>
<td>2.5</td>
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<tr>
<td>Population1</td>
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<td>1.6</td>
<td>2.3</td>
<td>2.0</td>
<td>2.2</td>
<td>1.9</td>
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<tr>
<td>Darwin CPI2</td>
<td>2.1</td>
<td>1.6</td>
<td>2.6</td>
<td>4.4</td>
<td>3.43</td>
<td>3.1</td>
</tr>
</tbody>
</table>

1 As at December, annual percentage change; 2 As at December, year on year percentage change; 3 Actual Darwin CPI 2007

The Territory’s Credit Rating

Moody’s Investors Service has given the Territory an Aa1 credit rating, reflecting the Territory’s improving financial performance and easing net debt burden. Moody’s recently commented on the Territory’s finances:

Strong governance…and prudent forecasts…have contributed to a record of meeting or exceeding targets in most years. Highly informative and comprehensive annual financial statements as well as periodic interim statements offer a high degree of transparency.

Source: Moody’s Credit Opinion
15 April 2008
Government’s Fiscal Strategy

Sustainable Service Provision
Assessment: Operating surplus predicted for all years.

Infrastructure for Economic and Community Development
Target: Maintain total public sector infrastructure investment at appropriate levels.
Assessment: Record infrastructure investment in all forward years.
Assessment: Fiscal balance is trending towards surplus by 2011-12, a year ahead of target.

Competitive Tax Environment
Target: Ensure Territory taxes and charges are competitive with the average of the states and territories.
Assessment: Taxation revenue per capita second lowest in Australia.

Prudent Management of Liabilities
Target: Net debt plus employee liabilities as a proportion of total revenue to fall.
Assessment: Ratio continues to fall above the forward estimates.

Fiscal Highlights

Fiscal highlights in the 2008-09 Budget include:

» cash surplus estimated for 2007-08, the sixth consecutive surplus, with surpluses estimated for all forward years;
» operating surplus estimated for 2007-08 and all forward years;
» improved fiscal balance trending towards a net surplus of $6 million by 2011-12, bringing forward the achievement of the fiscal strategy target to be in balance by 2012-13;
» a contribution of $20 million towards the Territory’s future infrastructure and superannuation requirements;
» record level of capital investment in 2008-09 of $870 million, an increase of $159 million since 2007-08;
» net debt to revenue ratio to fall to 36 per cent by 2011-12, a significant improvement from the 67 per cent recorded in 2001-02; and
» net debt plus employee liabilities to revenue ratio to fall to 101 per cent by 2011-12, a significant improvement on the 134 per cent recorded in 2001-02.

The improved fiscal outlook in the 2008-09 Budget is due to additional revenue linked to continued economic growth in the Territory and nationally, and an increase in Commonwealth specific purpose payments. Some of the additional revenue has been directed to new initiatives across the key service delivery areas of health, education and public safety, including Closing the Gap. However an increasing proportion of the extra revenue is being allocated to investment in essential infrastructure over the forward estimate period.

This has enabled the Territory to invest in record levels of capital infrastructure in all years.

Net Debt and Employee Liabilities to Revenue – Non Financial Public Sector

<table>
<thead>
<tr>
<th></th>
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<th></th>
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<tbody>
<tr>
<td>Net Debt (%)</td>
<td>67</td>
<td>64</td>
<td>57</td>
<td>54</td>
<td>48</td>
<td>39</td>
<td>37</td>
<td>38</td>
<td>38</td>
<td>38</td>
<td>37</td>
</tr>
<tr>
<td>Net Debt plus Employee Liabilities (%)</td>
<td>134</td>
<td>131</td>
<td>118</td>
<td>124</td>
<td>112</td>
<td>106</td>
<td>104</td>
<td>104</td>
<td>104</td>
<td>104</td>
<td>101</td>
</tr>
</tbody>
</table>

1 Increase represents transition to International Financial Reporting Standards affecting superannuation liability
Budget Highlights

Infrastructure

Total infrastructure payments in 2008-09 will be $870 million, including $249 million for repairs and maintenance, an increase in total infrastructure payments of 22 per cent. Budget sector capital works total $634 million, $184 million higher than 2007-08. The new projects includes:

- roads $131.9M
- housing $80.3M
- port $59.5M
- education and health $38.0M
- public order and safety $17.2M
- recreation and culture $15.8M

Expenses

Territory expenses are estimated to be $3.67 billion in 2008-09. The key functions of health, education and public order and safety comprise 59 per cent of total expenses, with housing services now contributing 11 per cent of expenses in line with the commitment to new and upgraded housing in remote areas. Significant increases in 2008-09 include $33 million for Closing the Gap initiatives, $22.5 million for community safety, $9.2 million for health and education, $9.5 million for environment protection and a $50 million contribution to essential services infrastructure.

Revenue

Territory revenue is expected to be $3.78 billion in 2008-09. This comprises 64 per cent GST revenue, 17 per cent in specific purpose payments and 19 per cent Territory own-source revenue.

The largest component of own-source revenue is payroll tax, which contributes 30 per cent, followed by taxes on property at 22 per cent. Mining royalties will contribute a greater share of own-source revenue at 18 per cent, with estimated revenue of $88 million in 2008-09.

General Government Targets

<table>
<thead>
<tr>
<th></th>
<th>2007-08 Estimate</th>
<th>2008-09 Budget</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
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<tr>
<td>Operating Result ($M)</td>
<td>81</td>
<td>111</td>
<td>174</td>
<td>170</td>
<td>163</td>
</tr>
<tr>
<td>Fiscal Balance ($M)</td>
<td>-67</td>
<td>-81</td>
<td>-47</td>
<td>-31</td>
<td>6</td>
</tr>
<tr>
<td>Cash ($M)</td>
<td>5</td>
<td>9</td>
<td>21</td>
<td>37</td>
<td>50</td>
</tr>
</tbody>
</table>

Note: surplus (+), deficit (-)
Lower Taxes

The 2008-09 Budget continues the Northern Territory Government’s commitment to cutting taxes to benefit all Territory home buyers, businesses and property investors. The Budget includes further payroll tax reductions and major reform of the stamp duty on property conveyances. The 2008-09 Budget brings the cumulative tax savings delivered since 2001 to more than $230 million.

The Territory continues to have the lowest annual recurrent taxes for businesses with up to 100 staff and is the only jurisdiction to not impose land tax or a fire and emergency services levy.

Further Payroll Tax Reform

In line with its 2005 election commitment, the Territory Government will reduce the payroll tax rate to 5.9 per cent from 6.2 per cent from 1 July 2008, saving businesses a total of $7.2 million in 2008-09, an average saving of $4500 per employer. This is the Government’s fifth reduction in payroll tax since 2001, resulting in cumulative payroll tax savings to businesses of $74 million.

The Territory’s payroll tax regime is the most favourable in Australia for small and medium businesses, having the lowest tax for businesses with payrolls up to $5 million.

Reducing Payroll Tax Red Tape

From 1 July 2008, the Territory Government will harmonise its payroll tax with other states in eight key areas, including adopting some standard exemption provisions, as the first part of a national overhaul of payroll tax administration.

This will cut red tape and lower the costs of compliance for businesses, particularly those operating across state borders. It will also deliver further tax savings to business of $1.7 million from 2008-09, in addition to the $7.2 million savings from the payroll tax rate reduction.

From 1 July 2009, Territory legislation will be consistent with New South Wales, Victoria, Tasmania and Queensland, delivering further compliance cost and tax savings.

All together, these measures to reduce payroll tax red tape will also save businesses about $3 million in tax each year.
Stamp Duty Reform
The Territory Government is the first in Australia to reform its conveyance stamp duty rates, continuing to respond to the needs of Territory families and providing savings for all Territorians. From 6 May 2008:

» the top stamp duty rate reduces to 4.95 per cent from 5.4 per cent, for properties valued at $525,000 or more (previously $500,000); and
» the minimum rate reduces to 1.5 per cent from 2.1 per cent.

Home buyers, property investors and purchasers of Territory businesses will save a total of $12 million each year from this reform. This will help Territory families to buy homes and will stimulate investment in the rental property market and Territory businesses.

First Home Buyer Savings
In addition to the rate changes outlined above, the 2008-09 Budget raises the first home buyer tax-free threshold a further 10 per cent. This means that Territory first home buyers pay no stamp duty on the first $385,000 of their new home’s value.

Savings for Other Home Buyers
For other home buyers, the principal place of residence rebate continues. This means that other home buyers will pay no stamp duty on the first $111,850 of a property’s value.

Business Savings
Property investors and purchasers of Territory businesses will also pay less stamp duty from 6 May 2008, as a result of the changes to conveyance duty rates and by raising the level from which the top rate is applied.

Also, from 1 July 2009, there will be no stamp duty on the purchase of non-land business assets. This is expected to save buyers of Territory businesses $9.6 million in the first year.

Conveyance Duty Savers in 2008-09
Reductions in conveyance duty are expected to benefit:

» over 1300 first home buyers;
» over 1700 other home buyers;
» over 3400 investors in residential property; and
» over 1400 investors in business and commercial property.

HomeNorth
HomeNorth has again been improved with changes to:

- increase maximum Government equity from $70,000 to $75,000;
- increase existing income thresholds by $5000, with further increases for dependants;
- increase price caps in line with market changes; and
- provide working families access to over 65% of units and around 25% of houses.
Closing the Gap

Closing the Gap of Indigenous Disadvantage

The Territory Government released *Closing the Gap of Indigenous Disadvantage: A Generational Plan of Action* in August 2007. This 20-year plan is the Territory Government’s principal framework for advancing Indigenous Territorians’ life outcomes. The Government has committed an additional $286 million over five years, and continues to align new and existing programs in this Budget to Closing the Gap objectives.

Protecting Territory Children

The 2008-09 Budget provides an expanded range of measures to address child sex abuse, including:

- $5.9 million for the Child Abuse Taskforce for police and health staff;
- $0.39 million to recruit expert prosecutorial resources to pursue convictions in child sex abuse cases;
- $1.15 million to implement the *Care and Protection of Children Act 2007*, including the establishment of a Children’s Commissioner, expansion of the Young People Leaving Care program and implementation of SAFE NT – a screening authority for people employed to work with children;
- $1 million to increase the number of child protection workers;
- $1 million to expand family violence prevention programs; and
- $1.3 million to deliver specialised Aboriginal Child Protection and Family Support Services to provide culturally appropriate support for remote Indigenous communities.

Supporting victims of sex abuse, the Government is providing $1 million for new and expanded Sexual Assault Referral Centre services across the Territory, and $1.5 million to establish a residential care unit and specialised therapeutic services to treat traumatised young people.

Health

The Commonwealth has committed an additional $100 million over two years for primary health care services in remote areas. The Territory Government is continuing to work with the Commonwealth to deliver additional resources directed towards addressing chronic disease.

In this Budget, $1 million is allocated for the provision of antenatal care and maternal health programs to mothers.

New and upgraded health infrastructure in remote communities includes construction of a new health clinic at Milingimbi at a cost of $4.5 million and continuing works to upgrade health clinics in Wadeye, Kalkarindji and Yirrkala at a cost of $4.2 million.
Law and Order
In the 2008-09 Budget, the Territory Government continues to increase the number of police across the Territory as part of the Remote Policing Strategy, at a cost of $2.3 million. This is in addition to the extra police dedicated to the Child Abuse Taskforce. The Territory Government will provide $1.59 million to expand the number of community courts by ten, increase the number of community corrections officers, extend the Alcohol Court to regional areas with two additional court clinicians, and establish a witness assistance service in Katherine.

To help stop the cycle of re-offending, Government is introducing:

- $0.7 million for offender rehabilitation programs;
- $0.5 million for additional literacy, numeracy and driver training programs;
- $0.8 million to expand the Indigenous Family Violence Offender Program; and
- $0.21 million to expand the Elders Visiting Program from four to 12 communities.

Indigenous Education
In recognition of the importance of education, the Territory Government is focusing on early childhood education, community ownership of education services, integration of health and wellbeing initiatives with education, and community based residential hostels. Budget 2008-09 provides:

- $3.1 million for an additional 10 teachers, 16 assistant teachers and four school counsellors;
- $1.5 million for new mobile preschools;
- $1.5 million for integrated early childhood and family services including enhanced antenatal and maternal care programs;
- $0.65 million to implement the school attendance strategy;
- $1.2 million for community and student partnership programs aimed at increasing student, family and community support for education and school;
- $10.2 million to upgrade seven remote schools;
- $0.1 million to support establishment of two regional senior studies hostels by the Commonwealth;
- an extra 27 classrooms in 24 communities in conjunction with the Commonwealth;
- $0.6 million for additional information technology resources; and
- $0.35 million for coaster buses to assist with student transport in 10 large remote communities.

$M

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Child protection</td>
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<tr>
<td>Police and justice</td>
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<tr>
<td>Alcohol and drug management</td>
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<tr>
<td>Health</td>
<td>23.4</td>
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<tr>
<td>Housing</td>
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<tr>
<td>Education</td>
<td>70.6</td>
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<tr>
<td>Employment and economic development</td>
<td>13.0</td>
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<tr>
<td>Cross-cultural understanding and engagement</td>
<td>8.95</td>
</tr>
</tbody>
</table>
Housing and Other Community Infrastructure

Reducing chronic overcrowding in housing is an important factor in achieving better outcomes for Indigenous Territorians.

The Northern Territory and the Commonwealth have agreed on a five-year $893 million Strategic Indigenous Housing Infrastructure Program to increase public housing in remote communities, with the Territory Government contributing $100 million.

In the 2008-09 Budget, remote area housing related initiatives include:

- $108 million for Indigenous public housing;
- $36.7 million to construct and replace housing for Government employees, supporting their essential work in providing education, health, safety and community development services in remote areas; and
- a new housing management framework for remote communities and town camps.

Indigenous essential services will receive funding of $59 million in the 2008-09 Budget. This includes remote power, water and sewerage services and infrastructure, and increased monitoring of drinking water quality in remote areas.

Improving transportation between remote communities and towns in the Territory is also important. Key developments in 2008-09 include:

- $10.6 million for remote airstrips and aerodromes in eight Indigenous communities;
- $24.5 million for roads in remote areas, in conjunction with the Commonwealth; and
- development of a new 10-year Road Network Strategy with an important focus on road access to remote areas.

The Territory Government is developing a telecommunications strategy to support greater use of electronic delivery of specialist education, health and justice services.

Alcohol and Substance Abuse

Alcohol underpins much of the violence and abuse that some Indigenous families and communities suffer, and is a significant contributor to antisocial behaviour. The Territory Government continues to tackle alcohol abuse and related harm. Included in the 2008-09 Budget is:

- $0.88 million to expand introduction of regional alcohol management plans to more locations;
- $0.52 million to implement a Regional Alcohol Licensing Identification System to enforce court orders and alcohol purchase limits;
$0.3 million for additional compliance inspectors to support alcohol management plans;
$0.45 million for alcohol and gambling community education and awareness campaigns;
$0.1 million to expand alcohol and other drug withdrawal services; and
$2.02 million for initiatives addressing antisocial behaviour, including a telephone reporting service, First Response Patrol, Darwin Area Night Patrol and an information and referrals service in Palmerston.

The Commonwealth is also contributing $2.6 million for sobering-up shelters in Katherine and Tennant Creek.

Indigenous Jobs and Training
Jobs and training is an important aspect of Closing the Gap. The Government is reviewing and developing a new Indigenous Economic Development Strategy 2008-10.

To assist the development of Indigenous businesses, the 2008-09 Budget provides:
$0.6 million for the Indigenous Business Development Grant Program; and
$1 million to support the development of Indigenous tourism businesses by Indigenous entrepreneurs.

Measures to increase the employment of Indigenous Territorians include:
integrating Indigenous training and employment into the procurement and construction process for remote housing;
$0.12 million to expand the Wesley Lanhapuy Scholarship program from 10 to 15 places to recruit and train more Indigenous teachers;
conversion of CDEP positions to permanent jobs in health clinics, community services and, in partnership with the Commonwealth, positions in the new local government shires; and
$0.92 million to expand Indigenous participation in the Territory’s pastoral and horticultural industries.

In recognition of the importance of Indigenous employment in the Northern Territory Public Sector, the Territory Government is developing a new Indigenous Employment and Career Development Strategy 2008-12 for the public sector, as well as continuing the three-year program for employing Indigenous apprentices within Government.

A Better Way of Doing Business
To improve its relationship with Indigenous Territorians, the Territory Government is:
• establishing the Chief Minister’s Indigenous Affairs Advisory Council to provide high level advice and oversee implementation of Closing the Gap;
• developing and actioning a whole of government Indigenous communications framework at a cost of $0.32M;
• expanding the Aboriginal Interpreter Service at a cost of over $0.2M; and
• developing a comprehensive cross-cultural training program for all Northern Territory Public Sector staff.
Darwin
- $599.6M for health and community services
- $199M for school services
- $157M for police, fire and emergency services
- $27M for vocational and higher education and training
- $19.8M for Darwin Waterfront headworks and to demolish Iron Ore Wharf
- $17.8M for power, water and sewerage infrastructure
- $16.6M to complete under grounding of powerlines
- $8.5M for Alawa, Leanyer, Nakara, Malak, Millner and Jingili primary school works
- $5.2M Leanyer Recreation Park stage 2

Palmerston and Litchfield
- $97.1M for school services
- $39M for Tiger Brennan Drive works
- $60.2M for works at East Arm Wharf
- $45.7M for police, fire, emergency services and Darwin Correctional Centre
- $41M for power, water and sewerage infrastructure
- $4.6M to complete East Arm boat ramp
- $9.5M for Rosebery primary and middle schools headworks
- $8.8M for vocational and higher education and training
- $7M for continuing headworks for Bellamack subdivision
- $3.7M for health and community services
- $1.5M for Fogg Dam boardwalk
- $0.5M for Humpty Doo bus interchange

Katherine
- $63.1M for school services
- $47.9M for health and community services, including Katherine Hospital
- $35.8M for Victoria Highway upgrading, including new bridges
- $18.6M for police, fire and emergency services
- $15.4M for road repairs and maintenance
- $7.6M for vocational education and training
- $4.7M for power and water upgrades in Mataranka, Bulman and Rittarangu
- $2.6M for power and sewerage works in Borroloola
- $2.4M for corrections and justice services
- $1.3M for Katherine sobering-up shelter
- $0.9M to remodel and extend Minyerri and Bulla health centres
- $0.3M for extra classroom space at Bulman School

Across the Territory
- $88.6M for Indigenous housing in remote communities
- $56M to subsidise tariffs for electricity, water and sewerage customers
- $29.7M for government employee housing in remote communities
- $28M for rental rebates for low income families
- $22M for sport, recreation and culture grants and major events sponsorship
- $21.1M for apprentices and trainees
- $5.3M pensioner and carer concessions
- $6.7M for public housing upgrades across the Territory
- $6.7M for new classrooms in 24 remote schools to meet greater enrolments
- $5.5M for Bringing Forward Discovery, to promote mining exploration, investment
- $5M for grants to establish new local government shires
- $1.1M for more haemodialysis facilities in remote communities
- $1M for cyclone shelter upgrades
- $1M for boat ramps and recreational fishing infrastructure
### Central Australia
- $182.4M for health and community services, including Alice Springs Hospital
- $105.2M for school services
- $40.7M for police, fire and emergency services
- $31.3M for corrections and justice services
- $29.7M for road repairs and maintenance
- $26.5M for major electricity infrastructure in Alice Springs
- $14.8M for vocational and higher education and training
- $12.5M for Alice Springs Hospital works
- $6M for renewable energy projects and industry support
- $4.7M for tourism services in the region
- $4M for access to Pine Hill horticulture blocks
- $3.9M for essential services upgrades in remote communities
- $2M new middle school at Arlparra
- $1.5M for child protection and related family services
- $1.1M for safer railway level crossings in the region

### East Arnhem
- $60M for school services
- $32.7M for health and community services, including Gove District Hospital
- $7.6M for police, fire and emergency services
- $7.3M for Galiwin’ku police station
- $6.7M for vocational education and training
- $4.5M for a new Milingimbi health centre
- $2M to provide school facilities at Yilpara, and $2.8M to expand facilities at Yirrakala and Ramingining community education centres
- $1.3M to upgrade Milyakburra aerodrome
- $1.1M for upgrades at Gove Hospital and Numbulwar Health Centre
- $0.6M for corrections and justice services

### Barkly
- $23.6M for school services
- $18.1M for health and community services
- $10.3M for road repairs and maintenance
- $7.1M for police, fire and emergency services
- $3.4M for new power and water works
- $2.6M for vocational education and training
- $1.4M for corrections and justice services
- $1.3M for Tennant Creek sobering-up shelter
- $1M for new senior years school facilities at Ali Curung
- $0.1M to upgrade the Ali Curung and Barrow Creek airstrips
- $0.4M for child protection and related family services

### Top End Rural
- $41.1M for school services
- $30.8M for health and community services
- $7.2M for police, fire and emergency services
- $6.3M for airstrip upgrades at Palumpa, Peppimenarti, Minjilang and Warruwi
- $8M for Port Keats Road and Daly River and Nauyku access road upgrades
- $4.4M for Litchfield Park visitor facilities
- $3.9M for power and water infrastructure
- $3.5M for health centre upgrades at Peppimenarti, Palumpa, Nguiu, Wadeye
- $3.1M for safer railway level crossings
- $2.6M for vocational education, training
- $1M for ten turn around points and bus bays in rural areas
- $0.9M for school upgrades at Ngarinyinjang, Milikapiti, Pularumpi, Jabiru, Belyuen and Peppimenarti

### Barkly
- $23.6M for school services
- $18.1M for health and community services
- $10.3M for road repairs and maintenance
- $7.1M for police, fire and emergency services
- $3.4M for new power and water works
- $2.6M for vocational education and training
- $1.4M for corrections and justice services
- $1.3M for Tennant Creek sobering-up shelter
- $1M for new senior years school facilities at Ali Curung
- $0.1M to upgrade the Ali Curung and Barrow Creek airstrips
- $0.4M for child protection and related family services

### Central Australia
- $182.4M for health and community services, including Alice Springs Hospital
- $105.2M for school services
- $40.7M for police, fire and emergency services
- $31.3M for corrections and justice services
- $29.7M for road repairs and maintenance
- $26.5M for major electricity infrastructure in Alice Springs
- $14.8M for vocational and higher education and training
- $12.5M for Alice Springs Hospital works
- $6M for renewable energy projects and industry support
- $4.7M for tourism services in the region
- $4M for access to Pine Hill horticulture blocks
- $3.9M for essential services upgrades in remote communities
- $2M new middle school at Arlparra
- $1.5M for child protection and related family services
- $1.1M for safer railway level crossings in the region
The new Department of Health and Families will be established from 1 July 2008.

The 2008-09 Budget continues the Territory Government’s commitment to improving the health of Territorians through increased investment in core health services and infrastructure. Funding of $915 million is provided for health and family services in 2008-09, up from $838 million in 2007-08 Budget.

**Improving Health Services**

The 2008-09 Budget provides $395 million for Territory hospitals, including additional beds at Royal Darwin Hospital and Alice Springs Hospital.

Other health funding includes:

- $54.5 million for public health services;
- $60.4 million for support services for frail aged people and people with a disability; and
- $35.2 million for mental health services.

The 2008-09 Budget continues the ongoing commitment begun in 2007-08, with $2.5 million to deliver improved renal health services in the Territory and $3.7 million to continue implementing recommendations of the Northern Territory Disability Services Review, in partnership with the Commonwealth.

Funding will meet increased service demands in 2008-09, including:

- $1.1 million to expand allied health services, introduce the Community Midwifery Program in Alice Springs and enhance Hospital in the Home services; and
- an additional $3 million provided by the Commonwealth to enhance hospital core services as part of the Australian Health Care Agreement, including radiology, respiratory and specialist dental services.

**Better Facilities**

Funds are provided to build and upgrade important health infrastructure in regional and remote areas, including:

- $4.5 million to construct a new health centre at Milingimbi;
- $4.2 million for continuing work on the Kalkarindji, Yirrkala and Wadeye health clinics;
- $1.7 million for fire safety upgrades at Tennant Creek Hospital;
- $12.5 million for works at Alice Springs Hospital, including Emergency Department upgrades and remediation works; and
- $5.5 million in 2007-08 for a capital grant to Menzies School of Health Research to extend facilities at Royal Darwin Hospital, with construction due to commence in 2008-09.
Families and Children
The new Department of Health and Families will include NT Families and Children, integrating support for Territory families and children by bringing together a resourcing package of $83 million for a range of services including child protection, foster care, youth support and juvenile diversion programs.

The new Children’s Commissioner will also commence and will be an advocate for children by representing their interests at all levels of government. The Commissioner will also monitor initiatives to address Indigenous disadvantage under Closing the Gap, as they relate to children.

Youth Justice Strategy
The 2008-09 Budget provides an additional $2.5 million for services to support Family Responsibility Agreements and Orders created under the Youth Justice Act. The Family Responsibility Program builds on family and youth support services across the Territory. Elements of the program include:

- case coordination and management;
- intensive youth and family support services;
- 'safe places' or youth hubs in Alice Springs and Darwin; and
- initial funding for youth camps.

Closing the Gap
The 2008-09 Budget provides funding through Closing the Gap for initiatives aimed at protection of children and families at risk, including:

- $1.7 million for Health and Families staff as part of the expanded Child Abuse Taskforce;
- $2.5 million for child protection and out of home care service expansion;
- $1.3 million for Aboriginal child protection and family support services in regional centres;
- $1 million to expand sexual assault referral centre services;
- $1 million for continued development of community-based programs addressing family violence in remote areas;
- $1.5 million for integrated early childhood and family services including enhanced antenatal and maternal care programs; and
- $0.85 million to implement child protection reforms.

Families and the Community
The 2008-09 Budget includes:

- $124.3M for community health services delivered through community care centres, rural health centres and services from clinics, schools and in the home;
- $12.8M for pensioner and carer concessions and support for seniors;
- $3.7M to subsidise child care costs;
- $0.2M for youth and seniors grants programs; and
- $70 000 to support the Youth Minister’s Round Table.

Families at Risk
The 2008-09 Budget includes:

- $47.9M for Child Protection and Out of Home Care services;
- $24.5M to support individuals and families in crisis, and prevention and intervention services for victims of family violence and sexual assault; and
- $10.5M to support programs for young Territorians, and for juvenile justice, outreach and diversionary services.
The 2008-09 Budget continues the focus on improving student outcomes and skilling Territorians, providing $719 million for the Department of Employment, Education and Training.

Investing in Education

In 2008-09, funding is provided to enhance schools’ capacity to deliver quality educational outcomes, including:

- $24.5 million for preschool education;
- $284 million for primary education;
- $99.4 million for middle years education;
- $91.5 million for senior years education; and
- $103.6 million to provide assistance to non-government schools.

The 2008-09 Budget continues key education initiatives, including:

- funding of $1.9 million for the Back to School payment, to assist Territory parents and students with schooling costs;
- funding of $9.38 million for Building Better Schools initiatives to improve student outcomes in secondary schools; and
- funding of $2.67 million for the National Accelerated Literacy Program to improve the literacy skills of students who have failed to make appropriate literacy gains in schools.

Services that assist students with intellectual disabilities and other special needs will be expanded in 2008-09, with additional ongoing funding of $1.7 million for seven extra special needs teachers and improved facilities in Palmerston and Alice Springs.

To support student transport requirements, $4.85 million is provided for additional school buses for senior, middle year and special needs students.

The Territory Government will spend a further $1.2 million in 2008-09, with $6.6 million over the next five years, to develop partnership programs to improve student engagement and community involvement in education.

To address the growing population needs in Palmerston, the Government will invest $48.8 million to build two new schools in Rosebery: a primary school that will cater for 600 students and a middle school that will have capacity for 850 students.

Closing the Gap

The 2008-09 Budget continues the Territory Government’s commitment to improve Indigenous education outcomes with a focus on attendance, basic literacy and numeracy skills, and upgrades to remote schools.
Key Closing the Gap education initiatives in 2008-09 include:

- $6.2 million for upgrades and additional learning space to community education centres at Yuendumu, Yirrkala, Ramingining, Ngukurr and Alekarange;
- $4 million to convert Arlparra and Yilpara community education centres to schools;
- four additional school counsellors, increasing to 10 by 2011-12, to improve child protection outcomes;
- establishing a team to monitor school attendance and implement strategies to improve Indigenous student attendance at school;
- implementing a ‘value of schooling’ education campaign;
- $1.5 million for new mobile preschools, servicing remote communities, to encourage Indigenous learning and attendance at an early age;
- $1.5 million for ten additional teachers for remote schools, to respond to the targeted increase in enrolment and attendance;
- additional information technology resources for students and teachers; and
- 16 full-time equivalent positions in the Northern Territory Public Service to provide employment opportunities for local Indigenous people and for those transitioning from the Community Development Employment Program.

Training and Skills Development
The Government continues its commitment to maximise employment opportunities for all Territorians, and develop a highly skilled workforce that meets industry needs, by investing $88.9 million in employment and training.

Since 2001, there has been an increase of 1150 apprentices and trainees, with more than 3300 now in training, including 1760 in skill shortage areas.

The 2008-09 Budget includes:

- $6.5 million to continue Jobs Plan 3;
- $21.1 million to support and train apprentices across the Territory;
- $0.56 million for 40 higher education scholarships;
- $4.6 million to address specific training and employment of Indigenous adults in regional and remote areas; and
- $0.5 million for prisoner education and training programs.

More Training for More Territorians
The Government will target groups to ensure that more Territorians are able to enter the workforce, with:

- $1.6M over three years for an additional 100 public sector traineeships;
- $1.25M for the WorkWear WorkGear Bonus for apprentices and trainees; and
- incentives for employers who take on an apprentice in occupational shortage areas or from a disadvantaged group.
Community Safety

Safer Communities
The 2008-09 Budget supports a safer community for all Territorians, with a total of $247 million for Police, Fire and Emergency Services. The 2008-09 Budget includes significant additional police resources through the Safer Streets initiative. Funding of $4.2 million will be provided in 2008-09 increasing to $9.3 million from 2009-10 for this initiative. Funding will assist with priority tasks in the Territory’s major urban areas by:

- increasing the number of uniformed police officers by 60;
- increasing police auxiliaries for call centre operations by 10; and
- enhancing overall capacity to address crime and antisocial behaviour issues.

The 2008-09 Budget provides for over 1200 police officers, Aboriginal community police officers and police auxiliaries.

The 2008-09 Budget also funds new and replacement equipment, including:

- $5.16 million in 2008-09, the first part of a $13.06 million program, to expand and upgrade the police digital radio network. This initiative will enhance public safety by providing a reliable and secure communications network; and
- $0.5 million for the Fire and Rescue Services to replace old fire fighting tankers in Pine Creek and Batchelor.

Ongoing funding of $1.32 million will continue highway and remote area patrols as part of the Government’s Road Safety initiative.

The 2008-09 Budget provides $0.75 million for extra transport safety officers and more resources to reduce antisocial behaviour on the Darwin bus network.

Tackling Antisocial Behaviour
The 2008-09 Budget provides additional funding to implement strategic measures to address antisocial behaviour across the Territory, including:

- $1.54 million for a community patrol service and continued night patrol services in the Darwin area;
- $1.35 million in grants for community safety projects and return to country and support services for homeless and itinerant people;
- $0.65 million in ongoing funding to monitor a closed circuit television network in the Darwin Central Business District, Casuarina Shopping Precinct and Palmerston;
- $0.37 million for a new Information and Referrals Office in Palmerston to assist in accessing supported accommodation, proof of identity and return to home services;
- $4.2M for expansion of the Child Abuse Taskforce in Darwin and Alice Springs;
- $2.3M for additional remote police;
- $1.6M for community justice initiatives including community courts in ten more communities, two court clinicians for alcohol courts, witness assistance services and eight more community corrections officers;
- $1.8M to improve alcohol, gambling and substance abuse prevention initiatives across the Territory; and
- $1.7M to expand sexual offender and family violence rehabilitation programs.

Closing the Gap
The 2008-09 Budget provides an additional $11.6M for Closing the Gap community safety and justice initiatives, including:

- $4.2M for expansion of the Child Abuse Taskforce in Darwin and Alice Springs;
- $2.3M for additional remote police;
- $1.6M for community justice initiatives including community courts in ten more communities, two court clinicians for alcohol courts, witness assistance services and eight more community corrections officers;
- $1.8M to improve alcohol, gambling and substance abuse prevention initiatives across the Territory; and
- $1.7M to expand sexual offender and family violence rehabilitation programs.
Community Safety and Justice

» $0.11 million for a dedicated hotline to enable members of the public to report antisocial behaviour;

» $0.1 million for an Indigenous Liaison Officer position in Katherine to provide intervention and referral services in domestic violence cases;

» rolling out an electronic identification system for takeaway liquor outlets;

» establishing an Alcohol Court in Katherine; and

» $2.6 million from the Commonwealth for new sobering-up shelters in Katherine and Tennant Creek.

Rehabilitation and Reintegration

A key focus of the Budget is on implementing measures to break the offending cycle, improving offenders’ reintegration into the community and continuing to crackdown on crime.

The Government will invest $274 million to construct a new 1000-bed correctional facility in Darwin to replace ageing prison infrastructure and improve vocational training and education facilities for prisoners. The new facility will also include a secure 25-bed mental health behavioural management facility. Planning will commence in 2008-09.

In the interim, $23.6 million is provided over two years to increase capacity at the existing Darwin and Alice Springs Correctional Centres to accommodate an additional 240 prisoners.

Funding of $0.5 million, increasing to $1 million from 2009-10, is allocated for prisoner education and training programs, focusing on literacy, numeracy and driver training.

$1.76 million is provided in grants for pre-court programs and case management services to divert juveniles from the justice system.

Tougher on Crime and Helping Victims

The 2008-09 Budget supports the Government’s ‘tough on crime’ approach and provides increased support for victims of crime through:

» $3 million for payments to compensate victims of crime;

» $0.42 million in additional funding to support the Crime Victims Services Unit and Victims Register; and

» $0.39 million for additional resources for the Office of the Director of Public Prosecutions to improve the prosecution of child sex offenders.

New Police Stations

A further $2.5M is provided to expand the new police station at Casuarina to improve facilities for police and the public. This is now a $7.3M project.

Construction of the Galiwin’ku police station and staff accommodation continues with the full project cost of $7.3M funded by the Commonwealth.
Lifestyle and Environment

Supporting Territory Sport
The Budget encourages Territorians to be active and enjoy the outdoors, with a total of $25.8 million for sport and recreation throughout the Territory.

In 2008-09, $6.4 million will be available for sport and recreation grants to support clubs, administrators, volunteers and communities for activities throughout the Territory.

An additional $1 million will be provided to improve community sporting facilities. These grants will enable peak sport and recreation organisations to assist clubs and individuals participating in sport and recreation activities.

Supporting Events
This financial year, the Territory will host the following events:

- the Crusty Demons;
- the Masters Games in October 2008 in Alice Springs;
- the Arafura Games in May 2009;
- three One Day International Cricket matches against Bangladesh;
- a pre-season National Rugby League match;
- the V8 Supercars in July 2008 and June 2009;
- high quality AFL matches; and
- Heineken Hottest 7’s in the World Rugby Tournament.

Sporting Facilities
Work continues on improving the Territory’s sporting facilities. The $4.8 million Marrara outdoor netball centre is expected to be completed by February 2009, in time for the 2009 season.

The Territory Government is contributing $1.5 million towards a community pool in the Litchfield Shire.

Funding of $0.9 million will be provided for the further upgrade of Hidden Valley Speedway facilities.

Boat Ramps
The 2008-09 Budget provides boat ramp improvements across the Territory including:

- $4.6 million for the East Arm boat ramp and road access including a dual-lane boat ramp, parking bays for vehicles and trailers and a large turn-around area;
- a further $1 million will be provided in 2008-09 to improve fishing infrastructure in the Territory; and
- $0.45 million to construct a pontoon at the Dinah Beach boat ramp.

Great Events
The Territory Government continues to bring quality entertainment to Territorians, including:

- Sir Elton John;
- Bass in the Grass; and
- Bass in the Dust.

The Budget continues to support museums and festivals:

- $11.76M for Museums and Art Galleries of the NT;
- $0.18M for Alice Springs, Alice Desert and Beanie festivals; and
- $75,000 for regional festivals including Flying Fox, Barunga, Gumurr Marthakal festivals.

Territory Arts
Funding of $5.3M in arts grants are available in 2008-09, including $0.3M for public art.

An additional $0.78M over the next three years will be provided to support the Darwin Festival.

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Parks Infrastructure

The $5.2 million Leanyer Recreation Park upgrade will include new water slides, life guard towers, additional shade and seating, a food kiosk and a public address system.

The 2008-09 Budget provides $4.4 million for stage 1 of the Litchfield National Park upgrade, including more visitor facilities at Wangi Falls.

The Budget includes $1.5 million to rebuild the Fogg Dam Monsoon Forest Boardwalk and lookout.

A further $1.5 million is provided for the development of the Red Centre Way Interpretive Centre at the West MacDonnell National Park.

Environment

An additional $2 million is provided to support Bushfire NT volunteers and brigades with preventing, managing and responding to fire hazards in regional and remote areas.

A further $0.2 million will assist Frogwatch with cane toad management.

Funding of $0.5 million will improve water quality across the Territory, in accordance with the National Water Initiative.

Additional funding of $0.7 million is provided to establish an air quality program in Darwin.

$6 million will be provided for rebates, renewable energy industry support and skill development in Indigenous communities, roadhouses, pastoral and rural properties, as well as the Alice Springs Solar City project.

$10.8 million is provided to deliver clean energy to remote Indigenous communities.

Environment grants of $0.56 million will be available to community groups, councils, organisations, industry bodies and associations.

The Budget will fund $5 million over three years to assist businesses and households to respond to climate change issues.

A further $0.2 million will establish a Climate Change Office to progress climate change reforms, develop the Territory’s climate change policy and manage the COAG climate change agenda.

Funding of $0.3 million is available for the ‘Make the Switch’ grant program to encourage the use of sustainable energy by Territory tourism operators.

Climate Change

Under the Council of Australian Governments (COAG) reform agenda, the Territory has committed to the development of a national emissions trading scheme and complementary reforms to assist in adapting to the impacts of climate change.

The Territory Government is also developing climate change reforms which meet national commitments in a manner which recognises the Territory’s economic circumstances.
Business

Strong Territory Economy
In the 2008-09 Budget, the Territory Government continues its strong management of the economy and support for business. Territory GSP is forecast to strengthen to 6.6 per cent in 2008-09, continuing the strong growth in 2007-08.

Infrastructure Investment
Government is continuing its record investment in key economic drivers such as transport, utilities, health, education and tourism infrastructure. The Budget provides infrastructure projects with $870 million cash, bringing the cash dedicated to infrastructure by the Territory Government since 2001 to $4.3 billion. The infrastructure program includes:

- $271 million for roads projects;
- $26 million to upgrade school infrastructure;
- $12.2 million to enhance health infrastructure; and
- $30 million is committed to enhance the Territory lifestyle.

The 2008-09 Budget also provides for projects valued at $59.5 million to improve bulk ship loading productivity and environmental outcomes at the Territory’s port including:
- $35 million for a bulk materials conveyor; and
- $24.5 million for reclamation at East Arm Wharf and to expand the hardstand area.

Industrial Land
A total of $4.5 million for development of industrial land for strategic industry development including:

- $2.5 million continued support for the Darwin Business Park;
- $1 million for the Defence Support Hub; and
- $1 million to develop industrial land at East Arm.

Mining Industry Exploration
The 2008-09 Budget provides an additional $2.4 million over three years for Government-industry partnerships to increase exploration in the Territory, in addition to the $12 million Bringing Forward Discovery program commenced in the 2007-08 Budget, which includes:

- $3 million to continue to build the Territory’s minerals and petroleum resource base;
- $2.6 million to ensure compliance with legislation in the mining, energy and exploration industries and implementation of environmental best practice; and
- $0.7 million for the implementation of new strategies to increase access for mineral and energy exploration on Aboriginal land.

COAG Reform
At the March 2008 Council of Australian Governments meeting, the Territory, along with all jurisdictions, committed to a comprehensive new microeconomic reform agenda to improve the efficiency of business regulation, workforce mobility and productivity.

This includes 27 priority reform initiatives including occupational health and safety, environmental assessment and approval, payroll tax harmonisation, business reporting and upstream petroleum (oil and gas) regulation. These will be progressed within two years.
Reducing Taxes and Red Tape

From 1 July 2008, the Territory Government will reduce the payroll tax rate to 5.9% and harmonise its payroll tax with other states in eight key areas, including adopting some standard exemption provisions.

This will cut red tape, lower the costs of compliance for businesses and reduce taxes, delivering savings of $8.9M to businesses in 2008-09.

Property investors and purchasers of Territory businesses will also pay less stamp duty from 6 May 2008, as a result of the changes to conveyance duty rates and from raising the level at which the top rate is applied.

Industry Support

The 2008-09 Budget provides for industry development through:

- $1.2 million, through the Industry Development Support Program, to provide operational and program support for peak business-related organisations;
- $0.3 million to assist regional economic development through the Regional Economic Development Fund;
- $0.3 million for industry development grants to support Territory businesses with specific development activities;
- $0.35 million to support research and innovation, including the provision of grants through the Northern Territory Research and Innovation Fund;
- delivering business management and capability building programs, including Territory Business Upskills Workshops, Business Growth Programs and October Business Month; and
- profiling and promoting Northern Territory defence industry capability to defence and prime contractors at major defence conferences and exhibits.

Regional and Indigenous Business Support

- $2.35 million for Indigenous economic development initiatives including:
  - $0.6 million, through Closing the Gap, to assist the development of Indigenous businesses;
  - $0.92 million for the continuation and expansion of Indigenous participation in the Territory’s pastoral and horticultural industries through employment and training programs, and implementation of innovative new projects that foster economic and community development; and
  - $0.83 million for Indigenous ranger programs, including the Marine Ranger Program.
- $8.1 million for regional economic development support.

Investing in Territory Tourism

The total tourism budget will be $35.7 million, marketing the Territory experience to increase tourist numbers and funding enhanced access and infrastructure, improved skills and industry standards and enhanced environmental sustainability.

Marketing programs to be undertaken in 2008-09 include:

- $1 million for a global Red Centre Way marketing campaign to build tourism visitation to Central Australia; and
- $0.6 million for an ‘Australia the Movie’ global marketing campaign to leverage interest from the Baz Luhrmann movie to be launched in late 2008.
Economic Outlook

Economic growth is forecast to strengthen to 6.6 per cent in 2008-09, as the contribution from exports increases substantially. Significantly higher oil production, including from the Puffin field, will be the main contributor to export growth in 2008-09. In addition, the production of lead-zinc will increase significantly with the conversion to open cut operations at McArthur River reaching completion. Output of manganese from Bootu Creek and GEMCO, alumina from Alcan and iron ore from the Frances Creek mine will also contribute to strong economic growth in 2008-09.

Resident employment growth of 2.5 per cent is forecast for 2008-09, underpinned by residential construction and work on major projects and continued migration and tourism growth.

Population growth is forecast to be 1.9 per cent in 2008, with net interstate migration returning towards longer run averages due to the completion of some major employment generating projects.

Inflation in the Territory is expected to continue to moderate in 2009, down from the 3.1 per cent estimated for 2008. The continued softening of inflationary pressures in 2009 is attributed to credit tightening, house price growth moderating and lower crude oil prices relative to 2008.

Wages growth is expected to strengthen in 2008 as outcomes of enterprise bargaining agreements flow through to stronger public sector wages growth. In addition, ongoing skilled labour shortages are expected to flow through to growth in the Territory’s Wage Price Index increasing by 4.0 per cent.

Growth of 6.4 per cent in 2007-08 in consumption is being largely driven by increased household consumption expenditure, supported by strong employment and population growth and high levels of consumer confidence. Total consumption growth is forecast to reduce slightly during 2008-09, as households respond to higher interest rates and fuel prices. Nonetheless, it is expected to continue at high levels.

Economic Highlights
Forecast gross state product (GSP) growth of 6.6%.
Economic growth underpinned by a substantial increase in exports and solid residential employment and population growth.

Key Growth Forecasts

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* e: estimate; f: forecast
* ¹ As at December, annual percentage change; ² As at December, year on year percentage change; ³ Actual Darwin CPI 2007